

IN THE HIGH COURT OF DELHI AT NEW DELHI

CS(OS) No. 1013/2007

GLAXO GROUP LIMITED & ORS ...Plaintiffs
Through: Ranjan Narula

VERSUS

MR. RAJESH BANSAL & ORS ...Defendants
Through: None.

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CORAM:

HON'BLE MS. JUSTICE REVA KHETRAPAL

JUDGMENT

:REVA KHETRAPAL, J.

1. The Plaintiffs have filed the present suit for permanent injunction *inter alia* seeking to restrain the Defendants from infringing its registered trademarks “BETNOVATE”, “DEPENDAL” and “CROCIN”, copyright in the packaging pertaining thereto, passing off, delivery up and damages.

2. The Plaintiff Nos.1 to 4 are members of the GlaxoSmithKline group of companies, of which GlaxoSmithKline Plc. is the parent company. Plaintiff Nos. 1, 2 and 4 *viz.* Glaxo

Group Limited, SmithKline Beecham Plc. and SmithKline & French Laboratories Limited are companies incorporated under the laws of United Kingdom and England, while Plaintiff No. 3 viz. GlaxoSmithKline Asia Private Limited is a company incorporated under the Indian Companies Act, 1956. Mr Rahul Sethi is stated to be the Constituted Attorney of the Plaintiff Nos. 1, 2 and 4 and Mr. P.N. Haridas to be the Company Secretary of the Plaintiff No.3. A copy of the Power of Attorney in the favour of Mr Rahul Sethi is placed on record by the Plaintiffs and exhibited as Exhibit PW1/1 and a copy of the Power of Attorney in favour of Mr.P.N. Haridas is exhibited as Exhibit PW1/2.

3. The present suit at the time of its institution concerned the Plaintiff's intellectual property rights in the trade marks "BETNOVATE", "DEPENDAL" and "CROCIN" and violation thereof by the Defendants on account of use of the identical/deceptively similar marks "BENATE-N", "BIPENDL", "EROCIN" and "PEXMOL" in respect of their business activities. However, by an order dated 11th February, 2008 this Court was pleased to decree the present suit *vis-a- vis* trademarks "CROCIN"

and “DEPENDAL” in terms of the compromise entered into between the parties. Thus, the suit presently remains contested only *vis-a-vis* the infringement of Plaintiffs’ trademark “BETNOVATE” and the product packaging thereof.

4. The trademark “BETNOVATE” is used by the Plaintiffs in respect of topical creams, which is used for treatment of skin irritation, itching, swelling and redness of skin. Medicinal preparations bearing the mark “BETNOVATE” comprise of *Betamethasone* as the base ingredient and are extremely popular and are widely consumed by people world over. The sales figures of the Plaintiffs’ “BETNOVATE” product in India running in thousands of lakhs for the period 1995-2006 are given in para 11 of the plaint along with expenditure incurred by the Plaintiffs towards advertising and promoting the said product in India.

5. It is averred in the plaint that the Plaintiffs adopted the mark “BETNOVATE” in India and all over the world in 1963. Plaintiff No. 1 is the registered proprietor of the mark “BETNOVATE” in India vide Registration No. 219258 in Class 5 dated 05.12.1963. The said trade mark registration has been duly renewed from time

to time, is subsisting and in full legal force, conferring on the Plaintiffs the right to its exclusive use. It is further averred that the Plaintiff No.1 has obtained registration of the mark “BETNOVATE” in more than 30 countries. A copy of the trademark registration certificate pertaining to the Plaintiffs’ mark “BETNOVATE” under Registration No.219258 is exhibited by the Plaintiffs as Exhibit PW1/3; the list of countries where the Plaintiffs’ trademark “BETNOVATE” is registered is exhibited by the Plaintiffs as Exhibit PW1/4; and a copy of Registered User Agreement between the Plaintiffs with respect to the mark/brand “BETNOVATE” as Exhibit PW1/5. The mark “BETNOVATE”, it is claimed, is an invented word, having no dictionary meaning and thus possesses a high degree of distinctiveness. The Plaintiffs further claim that due to their intrinsic good quality coupled with substantial promotional expenditure incurred by the Plaintiffs, medicinal preparations under the mark “BETNOVATE” have come to be exclusively identified with the Plaintiffs and the Plaintiffs’ goodwill and reputation in respect of these medicinal preparations extends beyond India to other countries as well. A

sample of the Plaintiffs' "BETNOVATE-N" packaging is placed on record and proved by the Plaintiffs as Exhibit PW1/6 and orders of this Court passed in order to protect the infringement of Plaintiffs' registered trademark and copyright as Exhibit PW1/7 (colly).

6. It is alleged that in the month of April 2007, the Plaintiffs learnt about the sale of skin cream products by the defendants under the mark "BENATE-N", in a packaging virtually identical to that used by the Plaintiffs in respect of their "BETNOVATE" products. The Defendant No.2 - M/s Uni-Pex Pharmaceuticals Pvt. Ltd., it is stated, is a pharmaceutical enterprise which manufactures, markets, and exports its medicinal/pharmaceutical preparations. The defendant No. 1 is the Director of the Defendant No.2 entity and Defendant Nos.3 and 4 are authorized dealers of Defendants Nos. 1 and 2 in Delhi. The business card and the product guide of the Defendants are Exhibits PW1/9 and PW1/10 respectively.

7. It is the case of the Plaintiffs that the Defendants' mark "BENATE" is deceptively similar to the Plaintiffs' well-known

and registered trademark “BETNOVATE”. The Defendants have merely removed the alphabets “T” and “OV” in the mark BETNOVATE to come up with the mark “BENATE”, which is only a cosmetic change and insufficient to distinguish between the rival marks, which remain phonetically and visually similar. The Plaintiffs allege that the members of the trade and purchasing public are likely to perceive the Defendants’ products as originating from the Plaintiffs. The likelihood of deception is further exacerbated by the fact that the Defendants are using a deceptively similar mark “BENATE” in respect of an identical preparation i.e. skin ointments. In addition, the defendants are also using a packaging for their “BENATE-N” products that is virtually identical to the Plaintiffs’ packaging in respect of their ‘BETNOVATE-N’ products.

8. On the basis of the aforesaid, it is claimed that the Defendants in their unabashed attempt to position their “BENATE-N” products as close as possible to “BETNOVATE-N” preparations have not only attempted to pass off their own goods as and for those of the Plaintiffs, but have also infringed upon their

copyright in the distinctive “BETNOVATE -N” packaging. A sample of the Defendants’ product under the mark “BENATE-N” is proved on record as Exhibit PW1/11.

9. Summons of the suit were issued to the Defendants, who, despite grant of sufficient time by this Court, did not file written statement and consequently their defence was struck off vide order dated 11th August 2008. The Defendants also did not lead any evidence and their right to lead evidence was closed by this Court vide order dated 16.09.2011.

10. In the course of the Plaintiffs’ evidence, Mr Rahul Sethi, the Constituted Attorney of the Plaintiff Nos. 1, 2 and 4 tendered his evidence by way of an affidavit exhibited as Exhibit PW1/A. In his testimony, the said witness reiterated on oath all the assertions made in the plaint and tendered in evidence documents Exhibits PW1/1 to Exhibit PW1/7 and Exhibits PW1/9 to PW1/11. PW1 – Mr. Rahul Sethi was not cross- examined by the Defendants and the evidence of the latter therefore stands unrebutted on record.

11. On the basis of the aforesaid evidence on record, learned counsel for the Plaintiffs contends that the Defendants’ trademark

“BENATE-N” is deceptively similar to the Plaintiffs’ registered trademark “BETNOVATE.” The Defendants mark, it is stated, is visually, phonetically and structurally similar to the Plaintiffs’ registered trademark. The Defendants have not only copied the Plaintiffs’ trademark “BETNOVATE”, but have also copied the product packaging in its entirety which amounts to infringement of the Plaintiffs’ copyright therein. The learned counsel for the Plaintiffs further urges that the defendants have been solely motivated by the need to encash upon the goodwill and reputation earned and nurtured by the Plaintiffs and to earn easy and illegal profits by passing off their inferior goods as the reputed goods of the Plaintiffs. Therefore, the Plaintiffs are not only entitled to compensatory damages but also to punitive damages owing to the Defendants’ illegal acts of trade mark and copyright infringement as well as passing off. Reliance is placed by the learned counsel for the Plaintiffs on the following judgments:

- **Glaxo Group Ltd. and Anr. vs SD Garg and Anr. 2011 (45) PTC 40(Del)**
- **Glaxo Group Ltd. and Anr. vs Sunlife Sciences Pvt. Ltd. 2011 (45) PTC 561 (Del.)**

- **Glaxo Group Ltd. and Ors. vs. Vipin Gupta and Ors. 2006 (33) PTC 145 (Del)**
- **Burroughs Wellcome (India) Ltd. vs Uni-Sole Pvt. Ltd. and Anr. 1999 PTC Page No. 188**
- **Laxmikant V. Patel vs Chetanbhat Shah and Another AIR 2002 SC 275**

12. I have heard the learned counsel for the Plaintiffs and perused the records. There is no manner of doubt that the defendants are using the trademark “BENATE-N”, which mark is deceptively similar to the plaintiffs’ trademark “BETNOVATE-N” in respect of identical goods viz. skin ointments. The adoption of the trademark “BENATE” in respect of identical goods, therefore, constitutes infringement of the Plaintiffs’ registered trademark. A look, however, at the respective packaging of the Plaintiffs and the Defendants, i.e., Exhibits PW1/6 and PW1/11 in juxtaposition however shows that the packaging used by the Defendants (Exhibit PW1/11) is neither identical nor deceptively similar to that used by the Plaintiffs (Exhibit PW1/6). The packaging used by the Plaintiffs comprises of a light and dark green colour scheme, while the packaging used by the Defendants comprises of a white and green colour scheme; the trademark “GSK” appears in the

Plaintiffs' packaging in white colour on orange background, while there is no such label used on the Defendants' packaging; the name 'GlaxoSmithKline' appears on the Plaintiffs packaging in white colour on a dark green triangular background, while the name 'UNI-PEX' appears on the Defendants' packaging in white colour on a light green background which along with a grey rhombus constitutes a device distinguishable from the Plaintiffs' triangular device. I am, therefore, of the view that the packaging used by the Defendants is not similar to the Plaintiffs' packaging, so as to mislead members of the trade and public into buying the Defendants' products believing that they are made under license or with the approval of the Plaintiffs or to lead to passing off of the Defendants goods as those of the Plaintiffs'.

13. Resultantly, the Plaintiffs are held entitled to a decree of permanent injunction in their favour and against the Defendants in terms of para 43(i) of the plaint. So far as the relief of damages is concerned, this Court has time and again awarded punitive damages in cases dealing with infringement of trademark and copyright in order to deter those who undermine the law and has

also held that the Defendant who chooses to absent himself from the proceedings must suffer the consequences. The learned counsel for the Plaintiffs has in this regard placed reliance on the decisions of this Court in ***Time Incorporated vs Lokesh Srivastava & Anr 2005 (30) PTC 3 (Del) and Proctor & Gamble Company vs Joy Creators 2011 (45) PTC 541 (Del)***. In the case of ***Time Incorporated (supra)***, this Court laid down as follows:

“The punitive damages are founded on the philosophy of corrective justice and as such, in appropriate cases these must be awarded to give a signal to the wrong doers that the law does not take a breach merely as a matter between rival parties but feels concerned about those also who are not party to this but suffer on account of the breach.”

14. Similarly in ***Proctor & Gamble Company (supra)***, this Court, relying upon its earlier judgments in ***Time Incorporated (supra)***, ***Hero Honda Motors Ltd. Vs. Shree Assuramji Scooters, 2006 (32) PTC 117 (Del)*** and ***Microsoft Corporation Vs. Deepak Rawal MIPR 2007 (1) 72***, made the following apposite observations:

“Also, the Court needs to take note of the fact that a lot of energy and resources are spent in litigating against those who infringe the trademark and

copyright of others and try to encash upon the goodwill and reputation of other brands by passing off their goods and/or services as those of that well known brand. If punitive damages are not awarded in such cases, it would only encourage unscrupulous persons who actuated by dishonest intention, use the well reputed trademark of another person, so as to encash on the goodwill and reputation which that mark enjoys in the market, with impunity and then avoid payment of damages by remaining absent from the Court, thereby depriving the Plaintiff an opportunity to establish actual profit earned by him from use of the infringing mark, which can be computed only on the basis of its accounts books. This would, therefore, amount to putting premium on dishonesty and give an unfair advantage to an unscrupulous infringer over those who have a bonafide defence to make and therefore come forward to contest the suit and place their case before the Court.”

15. In view of the aforesaid, a decree of permanent injunction is passed in favour of the Plaintiffs and against the Defendants restraining the Defendants, their directors, principal officers, servants, agents and representatives from manufacturing, selling, offering for sale, exporting, advertising, directly or indirectly dealing in medicinal products or other related goods under the trademark “BENATE” or under any other trademark deceptively similar to the Plaintiffs’ registered trademark “BETNOVATE”, amounting to infringement of Plaintiffs’ registered trademark

bearing No.219258. The Plaintiffs are also held entitled to punitive damages to the tune of five lakhs and also to the costs of the suit as determined by the Registry of this Court.

16. CS(OS) No. 1013/2007 stands disposed off accordingly.

**REVA KHETRAPAL
(JUDGE)**

January 04, 2013